

Moved by Burgoyne

Seconded by Rusche

IN THE HOUSE OF REPRESENTATIVES  
HOUSE AMENDMENT TO H.B. NO. 585

AMENDMENT TO SECTION 1

On page 1 of the printed bill, delete line 39, and insert: "rate of one-tenth of one percent (0.1%)".

AMENDMENT TO THE BILL

On page 3, following line 30, insert:

"SECTION 3. That Section 63-802, Idaho Code, be, and the same is hereby amended to read as follows:

63-802. LIMITATION ON BUDGET REQUESTS -- LIMITATION ON TAX CHARGES -- EXCEPTIONS. (1) Except as provided in subsections (3) and (4) of this section, no taxing district shall certify a budget request for an amount of property tax revenues to finance an annual budget that exceeds the greater of paragraphs (a) through (i) of this subsection inclusive:

(a) The dollar amount of property taxes certified for its annual budget for any one (1) of the three (3) tax years preceding the current tax year, whichever is greater, for the past tax year, which amount may be increased by a growth factor of not to exceed three percent (3%) plus the amount of revenue calculated as described in this subsection. Multiply the levy of the previous year, not including any levy described in subsection (4) of this section, or any school district levy reduction resulting from a distribution of state funds pursuant to section 63-3638(11), Idaho Code, by the value shown on the new construction roll compiled pursuant to section 63-301A, Idaho Code; and by the value of annexation during the previous calendar year, as certified by the state tax commission for market values of operating property of public utilities and by the county assessor;

(b) The dollar amount of property taxes certified for its annual budget during the last year in which a levy was made;

(c) The dollar amount of the actual budget request, if the taxing district is newly created except as may be provided in subsection (1) (h) of this section;

(d) In the case of school districts, the restriction imposed in section 33-802, Idaho Code;

(e) In the case of a nonschool district for which less than the maximum allowable increase in the dollar amount of property taxes is certified for annual budget purposes in any one (1) year, such a district may, in any following year, recover the foregone increase by certifying, in addition to any increase otherwise allowed, an amount not to exceed one hundred percent (100%) of the increase originally foregone. Said addi-

1 tional amount shall be included in future calculations for increases as  
2 allowed;

3 (f) In the case of cities, if the immediately preceding year's levy  
4 subject to the limitation provided by this section, is less than 0.004,  
5 the city may increase its budget by an amount not to exceed the differ-  
6 ence between 0.004 and actual prior year's levy multiplied by the prior  
7 year's market value for assessment purposes. The additional amount  
8 must be approved by sixty percent (60%) of the voters voting on the ques-  
9 tion at an election called for that purpose and held on the date in May or  
10 November provided by law, and may be included in the annual budget of the  
11 city for purposes of this section;

12 (g) A taxing district may submit to the electors within the district  
13 the question of whether the budget from property tax revenues may be  
14 increased beyond the amount authorized in this section, but not beyond  
15 the levy authorized by statute. The additional amount must be approved  
16 by sixty-six and two-thirds percent (66 2/3%) or more of the voters  
17 voting on the question at an election called for that purpose and held  
18 on the May or November dates provided by section 34-106, Idaho Code.  
19 If approved by the required minimum sixty-six and two-thirds percent  
20 (66 2/3%) of the voters voting at the election, the new budget amount  
21 shall be the base budget for the purposes of this section;

22 (h) When a nonschool district consolidates with another nonschool  
23 district or dissolves and a new district performing similar governmen-  
24 tal functions as the dissolved district forms with the same boundaries  
25 within three (3) years, the maximum amount of a budget of the district  
26 from property tax revenues shall not be greater than the sum of the  
27 amounts that would have been authorized by this section for the district  
28 itself or for the districts that were consolidated or dissolved and in-  
29 corporated into a new district;

30 (i) In the instance or case of cooperative service agencies, the re-  
31 strictions imposed in sections 33-315 through 33-318, Idaho Code.

32 (2) In the case of fire districts, during the year immediately follow-  
33 ing the election of a public utility or public utilities to consent to be pro-  
34 vided fire protection pursuant to section 31-1425, Idaho Code, the maximum  
35 amount of property tax revenues permitted in subsection (1) of this section  
36 may be increased by an amount equal to the current year's taxable value of the  
37 consenting public utility or public utilities multiplied by that portion of  
38 the prior year's levy subject to the limitation provided by subsection (1) of  
39 this section.

40 (3) No board of county commissioners shall set a levy, nor shall the  
41 state tax commission approve a levy for annual budget purposes which exceeds  
42 the limitation imposed in subsection (1) of this section, unless authority  
43 to exceed such limitation has been approved by a majority of the taxing dis-  
44 trict's electors voting on the question at an election called for that pur-  
45 pose and held pursuant to section 34-106, Idaho Code, provided however, that  
46 such voter approval shall be for a period of not to exceed two (2) years.

47 (4) The amount of property tax revenues to finance an annual budget does  
48 not include revenues from nonproperty tax sources, and does not include rev-  
49 enue from levies to satisfy judgments pursuant to section 63-1305A, Idaho  
50 Code, and revenue from levies that are voter approved for bonds, override

1 levies or supplemental levies, plant facilities reserve fund levies, school  
 2 emergency fund levies or for levies applicable to newly annexed property or  
 3 for levies applicable to new construction as evidenced by the value of prop-  
 4 erty subject to the occupancy tax pursuant to section 63-317, Idaho Code, for  
 5 the preceding tax year."; and renumber sections accordingly.

6 On page 5, following line 31, insert:

7 "SECTION 6. That Section 31-1901, Idaho Code, be, and the same is hereby  
 8 amended to read as follows:

9 31-1901. COMMISSIONERS MAY ISSUE FUNDING AND REFUNDING BONDS. The  
 10 board of county commissioners of any county in this state may issue nego-  
 11 tiable coupon bonds of their county for the purpose of paying, redeeming,  
 12 funding or refunding the outstanding indebtedness of the county, whether  
 13 the indebtedness exists as a warrant indebtedness or bonded indebtedness.  
 14 The county may also issue bonds for the purpose of paying a judgment meeting  
 15 the criteria of section 63-1305A, Idaho Code. All such bonds shall be in  
 16 the form and shall be issued, sold or exchanged and redeemed in accordance  
 17 with the provisions of chapter 2 of title 57, known as the "Municipal Bond  
 18 Law" of the state of Idaho, except where different provision is made herein.  
 19 Provided, that the authority to fund warrant indebtedness shall extend only  
 20 to the funding of warrant indebtedness existing as of the second Monday in  
 21 January, 1933, and providing further that all taxes and other revenues which  
 22 but for the funding of warrants would have been lawfully applicable to the  
 23 redemption of the warrants so funded shall, as and when collected, be appor-  
 24 tioned to and placed in the sinking fund for the payment of the interest and  
 25 retirement of the principal of such bonds. Bonds issued for the purpose of  
 26 funding warrants shall bear interest payable semiannually as the board of  
 27 county commissioners may determine.

28 SECTION 7. SEVERABILITY. The provisions of this act are hereby declared  
 29 to be severable and if any provision of this act or the application of such  
 30 provision to any person or circumstance is declared invalid for any reason,  
 31 such declaration shall not affect the validity of the remaining portions of  
 32 this act."; and renumber sections accordingly.

### 33 CORRECTION TO TITLE

34 On page 1, in line 2, following "RELATING TO" delete "REVENUE AND TAXA-  
 35 TION" and insert: "COUNTIES AND PROPERTY TAX LEVIES"; in line 11, follow-  
 36 ing "CORRECTION;" insert: "AMENDING SECTION 63-802, IDAHO CODE, TO REVISE  
 37 A CODE REFERENCE AND TO PROVIDE THAT THE AMOUNT OF PROPERTY TAX REVENUES TO  
 38 FINANCE AN ANNUAL BUDGET DOES NOT INCLUDE REVENUE FROM LEVIES TO SATISFY CER-  
 39 TAIN JUDGMENTS AND REVENUE FROM CERTAIN OTHER LEVIES;"; and in line 13, fol-  
 40 lowing "REFERENCE;" insert: "AMENDING SECTION 31-1901, IDAHO CODE, TO PRO-  
 41 VIDE THAT THE COUNTY MAY ALSO ISSUE BONDS FOR THE PURPOSE OF PAYING A CERTAIN  
 42 JUDGMENT; PROVIDING SEVERABILITY;".